BOBBY JINDAL GOVERNOR



ANGELE DAVIS COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration

Office of State Uniform Payroll

July 10, 2009

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2010-02

TO: All ISIS HR Paid Agencies

FROM: Andrea P. Hubbard

Director

SUBJECT: Federal Minimum Wage Rate Increase

In accordance with federal regulations, the FLSA minimum wage rate will increase from \$6.55 to \$7.25 an hour on July 24, 2009. Any employee who earns less than \$7.25 an hour must be raised to the new minimum wage rate effective July 24, 2009.

Agencies should review the wage rates of unclassified employees and students to identify employees who require rate increases. Civil Service has provided more specific information in Quick Tip #38 and in General Circular No. 1769. Agencies must review these publications to obtain specific information regarding applicability and implementation of the pay increase. ISIS HR Paid agencies may utilize report ZP50 Basic Pay Info/Stat Report to identify employees that will require pay increases to meet the new federal regulations.

Agencies should review internal policies to determine if the increase in the minimum wage may also require other changes for employees and agencies, e.g. internal policy on student pay, pay increase for other students.

Also, in accordance with the Federal Wage Garnishment Law, the amount of disposable income that is exempt from garnishment is determined by the minimum wage rate. Due to the increase in the minimum wage rate, the amount of biweekly disposable income exempt from garnishment will increase from \$393 to \$435. Employees with active garnishments may see a change in the amount of their withholding due to the change in the calculation of disposable income.

If you have any questions, contact a member of the OSUP Garnishment Administration Unit at DOA-OSUP-GARN@LA.GOV or call (225) 342-5332.

APH:PSF/ral